STATE OF CONNECTICUT CONNECTICUT SITING COUNCIL

CANDLEWOOD SOLAR, LLC PETITION : PETITION NO. 1312

FOR DECLARATORY RULING THAT NO

CERTIFICATE OF ENVIRONMENTAL :

COMPATIBILITY AND PUBLIC NEED

IS REQUIRED FOR A 20 MEGAWATT

AC SOLAR PHOTOVOLTAIC ELECTRIC

GENERATING FACILITY IN NEW MILFORD :

CONNECTICUT : September 19, 2017

PREFILED WRITTEN TESTIMONY OF JIM WALKER AMERESCO, INC.

A. <u>INTRODUCTION</u>

- Q. Please state your name, title, and business address.
- A. Jim Walker, Vice President, Solar PV, 111 Speen Street, Suite 410, Framingham,
 MA 01701
- Q. Please describe your current responsibilities and professional experience.
- A. I am responsible for Ameresco's East Coast solar PV business. I am a licensed professional engineer in Massachusetts with a Bachelor of Science degree in Mechanical Engineering (BSME) from the University of Massachusetts, Amherst and a Masters in Business Administration (MBA) from the Massachusetts Institute of Technology (MIT), Sloan School of Management. I have 41 years of professional experience in various positions including energy engineering, energy business strategy and analysis, energy technology strategy and analysis, energy regulations and policy, energy commodity procurement and supply management, and solar PV business development.

Q. What has been your involvement in this Project?

A. I am the business unit leader for Ameresco who is responsible for the financial success of Ameresco's East Region Solar PV business.

Q. What is the purpose of your testimony?

A. The purpose of my testimony is to provide a high-level summary of the regional (Tri-State) procurement process resulting in the Project being selected by four electric distribution companies to provide solar electricity to the grid.

B. PROJECT SPECIFIC TESTIMONY

1. DESCRIPTION OF THE TRI-STATE CLEAN ENERGY RFP PROCESS

Q. Please describe the Tri-State Clean Energy RFP Process.

A. The Commissioner of the Connecticut Department of Energy and Environment ("DEEP") provided a "Notice of Request for Proposals ("Tri-State RFP") from Private Developers for Clean Energy and Transmission projects on November 12, 2015. In addition, the electric distribution companies in Massachusetts, (referred collectively in the RFP as the "Massachusetts EDCs" and the Narragansett Electric Company (d/b/a National Grid) in Rhode Island), joined DEEP in the Tri-State RFP solicitation. The three groups, DEEP, the Massachusetts EDCs, and Narraganset Electric (the "Soliciting Parties") represented a joint and coordinated tri-state effort to procure clean energy resources for the region.

Q. Why did DEEP and the Massachusetts and Rhode Island electric distribution companies plan, coordinate, and jointly procure clean energy resources?

A. According to the Tri-State RFP, the procuring states, CT, MA, and RI, (together referred to as the "Procuring States") sought to "meet their clean energy goals in a cost-effective manner consistent with their Procurement Statutes." Furthermore, "the [evaluation] parties from all three of the Procuring States will collaborate to

determine whether together they can create a portfolio of projects that would reduce the cost to customers in each of the three states and still comply with each state's requirements and clean energy goals." [RFP Section 1.1]

Q. What was meant in the Tri-State RFP by Procurement Statutes?

A. Appendix F of the RFP provided a description of each state's procurement statutes. For Connecticut, the relevant statutes were Conn. Gen. Stat. Section 16-1(26) and (53) and as amended by Public Act 13-303 and Conn. Gen. Stat. Section 16-1(26) and (53) and as amended by Public Acts 13-303 and 15-107. In addition, procurement by DEEP was also conducted in accordance with Connecticut General Statutes Section 16a-14 for Tier 1 renewable energy resources.

Q. Did the Tri-State RFP mention the selection criteria under the Connecticut Procurement Statutes?

A. Yes. According to the description in Appendix F of the RFP for bidders, the consideration for evaluation is that proposals are to be in the "interest of ratepayers".

Q. Did the Tri-State RFP define "Eligible Projects" and "Eligible Facility"?

A. Yes. Such projects and facilities must "satisfy the criteria in the Procurement Statutes" of one of the three Procuring States." Based on Appendix F, as described above, the criteria for renewable energy projects and facilities was the "interest of ratepayers".

Q. Did the Tri-State RFP describe the non-price evaluation criteria?

A. Yes. Section 2.3.2 Qualitative Evaluation provided bidders with a long list of evaluation criteria under technical categories such as, but not limited to: "Eligible Project Viability", "Eligible Project Feasibility", and "Eligible Project development status and operational viability".

- Q. Did the Tri-State RFP direct bidders to consider only certain types of land for development of the Eligible Projects or Eligible Facilities?
- A. No. The Tri-State RFP provided no guidance, restrictions, or limitations on the sites to be used for the new renewable energy Eligible Projects or Eligible Facilities.
- Q. To be clear, did the Tri-State RFP provide any mention or restriction of project sites on prime farmland or core forest?
- A. No. There was no mention of such terms or concepts in the Tri-State RFP provided by DEEP.
- Q. What entities from Connecticut evaluated the proposals submitted under the Tri-State RFP?
- A. According to the Tri-State RFP, Appendix F, "Stage One analysis, the Stage Two qualitative analysis, and the selection of proposals will be the responsibility solely of CT DEEP [emphasis added], after consultation with the State's Procurement Manager, the Office of Consumer Counsel, the Office of the Attorney General, the DEEP's independent Consultant, and the Connecticut EDCs."
- Q. After detailed qualitative and quantitative evaluation of all the proposals, which projects did the DEEP select?
- A. On June 27, 2017, the DEEP issued a report, "Section 6 and 7 of P.A. 13-303 and Section 1(C) of P.A. 15-107, Three State Clean Energy RFP, Notice of Final Determination." According to the report, the Connecticut Selection Team selected nine projects (seven solar and two wind projects) ranging from 20 MW to 126 MW.

Q. Were all these projects located in Connecticut?

A. No. In addition to Connecticut, the projects were located in New Hampshire, Connecticut, Maine, New York, and Rhode Island.

Q. Did Connecticut benefit from the tri-state coordination of the RFP?

A. Yes, Connecticut chose percentages of projects (none greater than 50%) with the other two states, which yielded the highest financial benefit for Connecticut ratepayers, based on their calculation of CT Net Benefits.

Q. What has been the role of DEEP with respect to the Candlewood Project in the Tri-State RFP?

- A. The DEEP has taken several roles in the selection and evaluation process, including:
 - Issuer of the RFP;
 - Evaluator of the RFP proposals;
 - Selection agent for Connecticut under the RFP;
 - Voting member on the Connecticut Siting Council to approve or not approve the Project under a Declaratory Petition;
 - Intervening party before the Connecticut Siting Council, including filing a Motion to Deny Declaratory Ruling from the Connecticut Department of Energy and Environmental Protection.

Q. Did any of the electric distribution companies select the Candlewood Project in the Tri-State RFP?

- A. Yes. Ameresco was notified on October 24, 2016 that four Massachusetts electric distribution companies selected the Candlewood Project: Nantucket Electric Company and Massachusetts Electric Company d/b/a National Grid; NSTAR Electric Company, d/b/a Eversource; Western Massachusetts Electric Company, d/b/a Eversource; and Fitchburg Gas and Electric Company. d/b/a Unitil.
- Q. Have the four electric distribution companies executed Power Purchase Agreements (PPA) with the Candlewood Project?

A. Yes, in May, 2017 all four electric distribution companies executed the PPA agreements with Candlewood Solar, LLC, Ameresco's wholly-owned project company.

C. <u>CONCLUSION</u>

18. CONCLUDING REMARKS

- Q. Do you have any concluding remarks?
- A. Yes.

Q. Please provide your remarks.

- A. Ameresco has been investing funds and resources into developing a 20 MW clean energy project, powered by the sun, in New Milford, CT, since the winter of 2015. We have worked with all parties to negotiate and complete necessary agreements to provide benefits to the Town of New Milford, the local region, and the state of Connecticut (refer to Prefiled Written Testimony of Joel Lindsay). We are committed to completing our investment to build the solar array and interconnect the array to the power grid at the ISO-NE Pool Transmission Facilities ("PTF") at Rocky River Substation in New Milford, Connecticut meeting our contractual requirements with the utilities, landowner, and Town of New Milford.
- Q. Does this conclude your prefiled written testimony?
- A. Yes.

CERTIFICATION

I hereby certify that on September 19, 2017, the foregoing was delivered by electronic mail and regular mail, postage prepaid, in accordance with § 16-50j-12 of the Regulations of Connecticut State Agencies, to all parties and intervenors of record, as follows:

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